GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:281
ANSWERED ON:02.08.2002
CIRCULATION OF FAKE CURRENCY
A.F. GOLAM OSMANI;SHYAMA SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that the circulation of fake currency notes has been increasing in the country;

(b) if so, the total amount of fake currency seized by Reserve Bank of India during the last six months and the total estimated amount of fake currency in circulation;

(c) whether the RBI/Government have formulated any plans to check the flow of fake currency in country;

(d) if so, the details thereof; and

(e) the impact of fake currency circulation in the country on our economy?

Answer

MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a),(b),(c),(d) & (e) A statement is placed on the Table of the House.

A STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO. 281 FOR 2ND AUGUST, 2002/AA SRAVAN 1924(SAKA)

Data on detection of fake currency in the recent past do not show any definite trend. The total amount of fake currency recovered at the counters of Reserve Bank of India and Bank branches during the last 6 months amounted to Rs 2.34 Crores.

To curb circulation of fake currency notes in the country, the Government has taken a number of steps which inter-alia include setting up special unit in the Central Bureau of Investigation, exclusively for investigation of counterfeit currency notes, shoring up of vigilance by the Border Security Force/Custom Authorities to prevent smuggling of fake currency notes into the country, incorporation of special security features in high denomination notes and dissemination of information on security features through print media and Doordarshan for the benefit of public. A high Level Committee of experts , with representatives from Ministry of Finance, Ministry of Home Affairs, National Security Council Sectt., Reserve Bank of India and the Printing Presses, constituted to examine the whole gamut of problems caused by circulation of fake currency has recently submitted its report wherein it has made several recommendations.

Considering the insignificant volume of fake currency detected against that of the notes in circulation, there is no apprehension regarding any impact of fake currency circulation on our economy.